VZCZCXRO3341 OO RUEHDBU RUEHFL RUEHKW RUEHLA RUEHROV RUEHSR DE RUEHPS #0711/01 2741404 ZNY CCCCC ZZH O 011404Z OCT 07 FM USOFFICE PRISTINA TO RUEHC/SECSTATE WASHDC IMMEDIATE 7729 INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 1295 RHMFISS/CDR USEUCOM VAIHINGEN GE PRIORITY RUFOADA/JAC MOLESWORTH RAF MOLESWORTH UK PRIORITY RHFMISS/AFSOUTH NAPLES IT PRIORITY RHMFISS/CDR TF FALCON PRIORITY RHEFDIA/DIA WASHDC PRIORITY RUEKJCS/SECDEF WASHINGTON DC PRIORITY RUEPGEA/CDR650THMIGP SHAPE BE PRIORITY RHEHNSC/NSC WASHDC PRIORITY RUEAWJA/DEPT OF JUSTICE WASHDC PRIORITY RUFOANA/USNIC PRISTINA SR PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 PRISTINA 000711

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TAGS: PGOV KJUS KCRM EAID KDEM UNMIK YI
SUBJECT: KOSOVO: VIOLENCE OVER PROPERTY SALES LEAVE NORTH
MITROVICA'S LITTLE BOSNIA NEIGHBORHOOD ON EDGE

Classified By: COM TINA KAIDANOW FOR REASONS 1.4 (B) AND (D)

11. (C) SUMMARY: The multiethnic north Mitrovica neighborhood of Little Bosnia, or Bosniak Mahalla, is on edge as a result of a series of recent criminal incidents, including explosions, an arson attack and newly-planted unexploded ordnance (UXO). The incidents date back to January 2007 and appear to be related to property sales in the area. Despite a Kosovo Police Service (KPS) special task force investigating the incidents, police are unable -- or, more likely, unwilling -- to solve the crimes or determine exactly who is behind them. Clues point to both Kosovo Albanians who want to discourage their brethren from selling properties to Serbs, and to Kosovo Serbs who want to create a climate of fear that will make Kosovo Albanians more willing to sell and leave north Mitrovica. USOP sources believe the Belgrade's Coordination Center for Kosovo and Metohija (CCK) is behind the property sales and may be playing a role in the criminal incidents. One source also believes the Serbian Ministry of Interior Police (MUP) may be involved. To date, there have been no fatalities or injuries related to the incidents in Little Bosnia, but the situation merits close attention. SUMMARY.

Little Bosnia -- one of the last multiethnic areas in northern Kosovo

12. (C) Little Bosnia, or Bosniak Mahalla, is one of the last multiethnic communities in predominantly Serbian northern Kosovo and is no stranger to inter-ethnic violence. A small north Mitrovica neighborhood straddling the Ibar River, Little Bosnia is home to Kosovo Serbs, Kosovo Albanians and Bosniaks. The International Crisis Group (ICG) reports that the neighborhood's Kosovo Albanians, estimated to number around 1,000, are segregated from Kosovo Serbs on a street by street basis and connected to their Kosovo Albanian brethren in the south by a small footbridge and one traffic bridge. UNMIK police and Kosovo Police Service (KPS) officers tell us that the so-called Serb "bridgewatchers" and plain-clothed Serbian Ministry of Interior Police (MUP) carefully monitor the Kosovo Albanians' north-south movements from observation posts near the bridges.

Recent incidents leave Little Bosnia residents on edge

13. (C) A recent series of incidents, including grenade attacks, unexploded hand grenades, and arson, have contributed to inter-ethnic tension in Little Bosnia. first incident occurred on January 19 when an unexploded hand grenade was found at mid-day on Nemanjina Street. Two months later, on March 23, a hand grenade exploded in a home belonging to a Kosovo Serb on Oslobodjenje Street, causing material damages; a second unexploded grenade was found at the scene of the crime. Four days later, an explosion damaged three civilian vehicles on the same street. After a brief lull, Kosovo Albanian children found explosive devices in a yard on June 24. KFOR dismantled and removed them before they could cause any damage. Less than a month later, shortly after midnight on July 13, an unknown suspect threw a hand grenade into the yard of a Bosniak KPS officer's home on Nemanjina Street. Minor material damage occurred to the windows, entrance door and facade of the home. Finally, on July 17, a Kosovo Serb reported a fire set by unknown suspects on Nemanjina Street. Police reported finding an Albanian language newspaper, plastic bottles and a metal stick at the scene. There were no injuries or fatalities in any of the incidents, leading police and international officials in Mitrovica to conclude that they likely meant to frighten residents.

Property sales appear to be the motive

14. (C) The fact that the attacks have targeted all three ethnic groups' property makes identification of any single motive difficult. The emerging consensus among international community representatives, police and residents in north

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Mitrovica is that the attacks may be linked to property sales. In the last year, Albanians increasingly have been selling properties in Little Bosnia to Serbs. The last few months have seen a marked increase in both sales and prices (see below), and significant progress in the construction of new apartment buildings north of the Ibar, built on properties recently sold to Serbs by Albanian owners. On August 2, PM Ceku called on Albanians living in the area not to sell their properties until final status resolution, appealing to them to have a larger "national consciousness." Ceku's words came two days after the Kosovo Assembly debated "illegal construction" in Bosniak Mahala.

Albanians fear loss of the north

 $\P5$. (C) The interest that Ceku and the Assembly are showing in the Little Bosnia incidents reflects the intense fear many Kosovo Albanians have of losing the north and their desire to protect this small Albanian Mitrovica foothold north of the Ibar. USOP's UNMIK Police and KPS contacts in the north believe Kosovo Albanians, angry with their brethren for selling to Serbs, may be behind at least some of the attacks. Democratic League of Dardania (LDD) caucus leader Ramadan Kelmendi has been especially vocal about Kosovo Serbs buying up Kosovo Albanian property in Little Bosnia, rarely missing an opportunity to raise the issue on the Assembly floor. On July 17, a group calling itself the "Council of (the) Bosnian Neighborhood" drew up a list of 18 Kosovo Albanians who "sold property to the Serbian Government" and posted it in Little Bosnia. It included an appeal "to all the citizens of Mitrovica and Kosovo to keep away from (those) individuals" and for "the institutions of Kosovo (to) desist from offering them any assistance." The group apparently approached UNMIK before distributing the list, and was warned not to do so by the UNMIK Deputy Regional Representative in Mitrovica; UNMIK quickly removed the list. UNMIK and OSCE representatives told USOP they believe Kelmendi was behind this.

CCK likely bankrolling the purchases

16. (C) Many of USOP's contacts in the north suspect the

Serbian Government may be behind the buying of Kosovo Albanian properties and of orchestrating at least some of the attacks. KPS Lt. Col. Ergin Medic, a Bosniak who lives in north Mitrovica, alleges that the Coordination Center for Kosovo (CCK) is behind the housing purchases and that "cleansing Little Bosnia is a priority for them." He said the CCK believes it has cleansed the Three Towers and Coca Cola Hill areas, two other multiethnic neighborhoods in north Mitrovica, to an "acceptable level" of about 20 percent Kosovo Albanians.

- 17. (C) Medic outlined a very elaborate CCK operation to buy up Kosovo Albanian properties in Little Bosnia and construct in their place new buildings containing Serbian state institutions and apartments for "loyal Serbs." He said Telekom Serbia (PTT) and the CCK's Economic Team for Kosovo will soon place their Kosovo headquarters in Little Bosnia as a result of this effort. According to Medic, CCK has established a unit, headed by Slavisa Stanic, to handle the property purchases, with five to seven staff members, mostly doing legal and administrative work and researching Kosovo Albanian properties. ICOPT representative in North Mitrovica James Nunan also related a conversation illustrating the organized, systematic nature of the operation. While talking with an unnamed (but influential) CCK figure, Nunan asked him "How can you buy out all the Albanians? There must be 3,000 of them living there," to which his interlocutor responded, "No, there are 995, and we know their names, addresses, and phone numbers."
- 18. (C) Medic claimed that a special CCK unit takes applications for housing in newly-built apartments, evaluating and ranking them based on need (number of children, other property owned, etc.). However, in reality, the bridgewatchers, MUP members and other "loyal Serbs"

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receive preferential treatment. Medic says this unit may also include several Kosovo Albanians, who make initial contact with Kosovo Albanian property owners and offer them at least fair market value for the property. Reports on prices are often anecdotal, but telling: Major Guy Snauwaert of Belgian KFOR recently told poloff that one Albanian-owned apartment sold for 350,000 euros, a fantastic sum in a neighborhood where most sales average 50,000 euros. (NOTE: Medic believes the CCK is offering about 500 euros per square meter. END NOTE.) Medic added that the money to purchase the properties comes from the Belgrade-based Komercialna Banka's Kosovo branch, then goes to Stanic. Stanic pays the Kosovo Albanians in cash and the transactions are registered through the UNMIK court in Zubin Potok. They avoid the Mitrovica Court because it is largely Kosovo Albanian and is outside the influence of hard-line Association of Serb Municipalities and Settlements (ASMS) co-founder and northern strongman Marko Jaksic.

MUP may be behind the attacks

- 19. (C) Medic also said many believe the MUP are behind the attacks, and that the police are unlikely to conduct a very thorough investigation into the attacks because KPS Mitrovica North Station Commander Milija Milosevic, whose special task force is in charge of the investigation, is a suspected MUP officer. Medic also told USOP that the KPS questioned Milan Ivanovic's son a few months ago in relation to the grenade attacks, which was confirmed by UNMIK civpol and Amcit Randall Darty, currently acting Mitrovica regional commander. (NOTE: Ivanovic is the E.O.-listed director of the large Serbian state-run parallel hospital in north Mitrovica, deputy mayor of Zvecan, co-founder of the ASMS, and chairman of the Mitrovica branch of the Serbian National Council (SNC). END NOTE.)
- 110. (C) COMMENT: The recent incidents and efforts to buy out Kosovo Albanian property holders in Little Bosnia appear to confirm suspicions that the CCK is expanding and reinforcing

the soft partition that already exists in the north. While the attacks appear to be designed more to intimidate than to harm, it could be just a matter of time before someone is seriously wounded or killed. This situation has already caused Kosovo Albanian leaders to react with emotion and may well have influenced some to respond with retaliatory violence. USOP will closely monitor developments in Little Bosnia and continue to urge the two sides to refrain from any actions which might escalate tensions in north Mitrovica. End comment.

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